

REMARKS

An Information Disclosure Statement under 37 C.F.R. § 1.97(b) was submitted on September 1, 2005. PTO Form SB/08 was not included in the Office action dated May 2, 2006. Applicants respectfully request the Examiner return the form, indicating whether the references were considered.

In the Office action¹, the Examiner rejected claims 1-10 under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent 6,415,320 to Hess et al. ("*Hess*") in view of U.S. Patent 6,466,917 to Goyal et al. ("*Goyal*"), in further view of In re Venner et al., 120 U.S.P.Q. 192 (C.C.P.A. 1958) and in further view of Gralla, "How the Internet Works" ("*Gralla*").

Applicants respectfully traverse the rejection of claims 1-10. Even if combinable as suggested by the Examiner, *Hess*, *Goyal*, *In re Venner*, and *Gralla* fail to disclose or suggest the claimed subject matter. For example, independent claim 1 recites a method of conducting a network auction comprising, among other things, the steps of:

notifying an updated transaction price to the bidder client having said identification (ID) code automatically when a transaction price changes due to a bid submitted by another bidder client,

remotely updating the notification using an information image that is generated by said network auction server and downloaded by said bidder client.

Hess does not disclose the claimed method. On page 3 of the Office action, the Examiner states that *Hess* discloses internet related client-server systems that include web-pages. The Examiner further states,

¹ The Office Action contains a number of statements reflecting characterizations of the related art and the claims. Regardless of whether any such statement is identified herein, Applicants decline to automatically subscribe to any statement or characterization in the Office Action.

Hess also discloses that the thumb building machine 450 includes a harvesting processor 455 and a database 460, which periodically harvests images that sellers have associated with items in the listing database 420. After a set of images have been harvested and thumb nailed, the harvesting process notifies the thumb server that new thumbnails are available (see col. 5, lines 20-36).

Hess discloses information presentation and management in an online trading environment. Person to person commerce is facilitated by providing prospective buyers with the ability to quickly preview items for sale. Images are then harvested from a plurality of different sites based upon user-supplied information (Abstract). As stated by the Examiner, *Hess* discloses a harvesting process notifying the thumb server that new thumbnails are available. Clients interact with the thumbnail management process to receive image data associated with the Gallery format (col. 5, lines 25-31).

Hess, however, fails to disclose the claimed method, including the step of notifying an updated transaction price to the bidder client having said identification (ID) code automatically when a transaction price changes due to a bid submitted by another bidder client. *Hess* merely discloses notifying a server when new thumbnails are available. Thus, the method in *Hess* discloses notification that new images are available, but does not disclose automatically notifying an updated transaction price to the bidder client.

The method in *Hess* discloses that a seller may specify a minimum bid per item (col. 7, lines 19-23). *Hess* also discloses a presentation format where the information that varies is essentially limited to: item title, the current minimum bid, the image, and the auction ending time. Therefore, while the minimum bid initially specified by the seller may be modified to provide a current minimum bid, the method in *Hess* does not disclose automatically notifying an updated transaction price to the bidder client.

Because the current bid information in *Hess* is generated for various user queries (col. 8, lines 58-65), an updated transaction price is not notified automatically.

Goyal also fails to disclose the claimed method, including the step of notifying an updated transaction price to the bidder client having said identification (ID) code automatically when a transaction price changes due to a bid submitted by another client. *Goyal* discloses verifying the identity of a participant in a network-based transaction. User interface information is provided to the participant via a communications network. The information is then passed to a third party for verification via the communications network. A verification result is then received from the third party. That result is then passed to the participant (Abstract). Because *Goyal* merely discloses real-time web-based verification of a participant's identity by a reliable source (col. 4, lines 19-21), it does not disclose automatically notifying a bidder client of an updated transaction price.

According to the Examiner, *Gralla* discloses that images presented are sent to the webpage and can be viewed by a remote client (Office action at p. 3). While *Gralla* discloses sending images to a remote client, it does not disclose the step of notifying an updated transaction price to the bidder client having said identification (ID) code automatically when a transaction price changes due to a bid submitted by another bidder client.

None of *Hess*, *Goyal*, or *Gralla* disclose a method including the step of notifying an updated transaction price to the bidder client having said identification (ID) code automatically when a transaction price changes due to a bid submitted by another client. Therefore, the subject matter of claim 1 would not have been obvious to one of

ordinary skill in the art in view of *Hess*, *Goyal*, and *Gralla*. Accordingly, for at least these reasons, Applicants respectfully request that the Examiner withdraw the rejection of claim 1 under 35 U.S.C. § 103(a).

Independent claims 2-8, although of different scope, recite similar limitations. Applicants further submit that claims 9-10 depend from one of the independent claims and are therefore allowable for at least the same reasons that independent claims 1-8 are allowable. In addition, each of the dependent claims may recite unique combinations that are neither taught nor suggested by prior art.

The Examiner relies on In re Venner, in arguing that the step of, notifying an updated transaction price to the bidder client having an identification (ID) code automatically when a transaction price changes due to a bid submitted by another bidder client, merely provides an automatic notification to replace a manual activity (Office action at p. 2). Applicants respectfully disagree. In relevant part, MPEP § 2144.04 states,

If the facts in a prior legal decision are sufficiently similar to those in an application under examination, the examiner may use the rationale used by the court. Examples directed to various common practices which the court has held normally require only ordinary skill in the art and hence are considered routine expedients are discussed below. If the applicant has demonstrated the criticality of a specific limitation, it would not be appropriate to rely solely on case law as the rationale to support an obviousness rejection.

In re Venner, 262 F.2d 91, 95, 120 USPQ 193, 194 (CCPA 1958) (Appellant argued that claims to a permanent mold casting apparatus for molding trunk pistons were allowable over the prior art because the claimed invention combined "old permanent-mold structures together with a timer and solenoid which automatically actuates the known pressure valve system to release the inner core after a predetermined time has elapsed." The court held that broadly providing an automatic or mechanical means to

replace a manual activity which accomplished the same result is not sufficient to distinguish over the prior art.).

Applicants respectfully submit that the facts in the decision are not sufficiently similar to those in the application under examination. The cited method recites automatically notifying an updated transaction price to the bidder client. The updated transaction price is not known to the bidder client, since the transaction price changes due to a bid by another client. This notification is automatically provided when the transaction price changes due to a bid by another client. Therefore, Applicants respectfully submit that reliance on In re Venner for the Examiner's rejection under 35 U.S.C. § 103(a) is improper.

In view of the foregoing amendments and remarks, Applicants respectfully request reconsideration of this application and the timely allowance of the pending claims.

Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 06-0916.

Respectfully submitted,

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Dated: July 31, 2006

By: 

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